

1 SENATE JOINT MEMORIAL 30

2 49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

3 INTRODUCED BY

4 Sue Wilson Beffort

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10 A JOINT MEMORIAL

11 REQUESTING THE NEW MEXICO FILM DIVISION OF THE ECONOMIC
12 DEVELOPMENT DEPARTMENT TO COLLABORATE WITH THE STATE INVESTMENT
13 OFFICER TO STUDY THE POTENTIAL BENEFIT OF ESTABLISHING A FUND
14 TO PROMOTE, INVEST IN AND FINANCE SMALL, INDEPENDENT FILMS
15 PRODUCED IN NEW MEXICO.

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17 WHEREAS, New Mexico has made a significant investment in
18 developing a film media industry through the state investment
19 council's film investment program, tax rebates and construction
20 bonds, but this investment has not benefited the small and
21 independent media business; and

22 WHEREAS, the New Mexico film investment program lacks
23 guidelines to grant access to investment funds for micro- and
24 low-budget film producers in the state; and

25 WHEREAS, according to the on-line research service *Screen*
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1 *Finance*, the market for small and independent films grew
2 fifty-nine percent between 1991 and 2000, fueling increased
3 production and a proliferation of independent film production
4 companies; and

5 WHEREAS, according to *Price Waterhouse Coopers*, ancillary
6 markets, such as the home video market and high definition and
7 internet-based television, have grown over two hundred percent
8 over the last decade; and

9 WHEREAS, nearly seventy percent of all motion pictures are
10 independently produced, and many of these films are micro-
11 budget films; and

12 WHEREAS, the profit potential of independently produced,
13 low-budget films makes them attractive to distribution and
14 sales agent companies; and

15 WHEREAS, small, independently produced films through such
16 media as digital video discs, digital satellite cable,
17 pay-per-view and network television offer additional markets
18 with minimal risks for investors and producers;

19 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
20 STATE OF NEW MEXICO that the New Mexico film division of the
21 economic development department be requested to collaborate
22 with the state investment officer to study the potential
23 benefit of establishing a fund to promote, invest in and
24 finance small, independent films produced in New Mexico; and

25 BE IT FURTHER RESOLVED that the study identify guidelines

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1 for investments in and distributions from the fund for single
2 projects with budgets that do not exceed two million dollars
3 (\$2,000,000) or multiple, related projects with budgets that do
4 not exceed five million dollars (\$5,000,000); and

5 BE IT FURTHER RESOLVED that the study consider the
6 potential for using a program manager to evaluate and make
7 recommendations for funding of these films that does not
8 utilize state dollars, but that is funded from the proceeds of
9 the funded investments; and

10 BE IT FURTHER RESOLVED that the study identify how current
11 film investment guidelines could be adapted to preserve
12 protections from risk for the state while promoting investments
13 in small, independent and low-budget projects; and

14 BE IT FURTHER RESOLVED that a report of the findings and
15 recommendations of this study be presented to the appropriate
16 interim legislative committee by November 1, 2009; and

17 BE IT FURTHER RESOLVED that copies of this memorial be
18 transmitted to the New Mexico film division of the economic
19 development department and the state investment officer.